



Greening of Lindsay Park Continues with Selection of Hess for Oil-to-Gas Conversion

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Lindsay Park Converts to Natural Gas to Cut Costs, Reduce Greenhouse Gas Emissions and Meet NYC Regulations

WOODBIDGE, N.J., March 12, 2012 /PRNewswire/ -- Lindsay Park Housing Corporation in New York City has selected Hess Energy Solutions, part of Hess Corporation (NYSE: HES), to convert its 10 boilers from No. 6 heating oil to cleaner-burning natural gas. Hess is managing the conversion from start to finish, providing turnkey project management and funding as part of a natural gas supply agreement, which eliminates the need for upfront capital or bank financing.

In 2011, New York City passed regulations that require building owners to discontinue use of heavy fuel oil to heat commercial and residential buildings and switch to cleaner-burning fuels with lower sulfur content. In addition to managing the boiler conversion, Hess provided the documentation needed for Lindsay Park to take advantage of approximately \$227,000 in NYSERDA incentives for converting from fuel oil to natural gas as well as a \$200,000 rebate from National Grid, payable upon completion, for the installation of natural gas piping.

Once the project is completed in the second quarter of 2012, Lindsay Park plans to use natural gas supplied by Hess for its seven buildings, well ahead of local legislative requirements. This project is expected to reduce Lindsay Park's annual energy costs by approximately 30 percent after five years with no upfront capital expenditure.

"Lindsay Park's boilers were more than 40 years old. Converting them to natural gas was an opportunity to make Lindsay Park more energy efficient while we met the new regulatory requirements," said Cora D. Austin, president of the board of directors for Lindsay Park Housing Corporation, located in Brooklyn. "We have a long relationship with Hess, so when they shared how we could convert to cleaner-burning natural gas without the need for an upfront capital investment, our board was definitely interested in acting now."

Hess has more than 75 years of experience serving New York City customers and today is the leading energy supplier to the city's commercial, industrial and institutional customers for electricity, natural gas and fuel oil.

"The combination of Hess' scale and experience can offer unmatched customer value," said Jim Connolly, director of origination for Hess Energy Solutions. "We're established enough to finance a project like this upfront so our customers don't have to. Plus, we have the relationships, buying power and experience to deliver highly competitive prices and make the transition very easy for the customer."

Hess will work with National Mechanical Services Inc., a leading mechanical contractor, to complete the Lindsay Park boiler conversion. With services ranging from boiler/burner installations to mobile boiler rental and 24/7 repair, National Mechanical is a leading mechanical contractor for the tri-state real estate and property management community.

Hess Energy Solutions offers a comprehensive suite of fuel conversion services:

- Independent engineering scope of work and detailed financial analysis
- Management of the bid process to ensure selection of a competitively priced, skilled mechanical contractor
- Coordination with utility companies
- Project cost integration with a multi-year natural gas supply agreement
- Identification and application for maximum eligible incentives and rebates
- Benchmarking services as well as an Energy Reduction Plan to help comply with local laws and identify additional cost saving

About Hess and Hess Energy Solutions

Hess Corporation, with headquarters in New York, is a global integrated energy company engaged in the exploration, production, purchase, transportation and sale of crude oil and natural gas, as well as the production and sale of refined petroleum products, natural gas and electricity. Hess is the largest fuel oil supplier to the New York City market and the largest natural gas supplier in the Northeast. Hess Energy Solutions, part of Hess Corporation, delivers comprehensive solutions that help commercial, industrial and institutional customers maximize energy savings and improve operational efficiencies. Solutions include oil-to-gas or oil-to-oil conversions, customized energy-efficiency improvements, a range of intelligent demand response programs and generation management services.

About Lindsay Park Housing Corporation

Built in the mid-1960s, Lindsay Park Housing Corp., a cooperative apartment corporation within New York City's Mitchell-Lama program, is one of the city's largest housing complexes with 2,702 units in seven buildings. Over the past few years, Lindsay Park has made significant progress in updating its building infrastructure to be more energy efficient. In 2011, it used a \$12.9 million weatherization grant from the New York State Division of Housing and Urban Renewal to install new windows in each apartment, switch to energy-efficient, motion-activated lighting in common areas, clean duct-work in all unit bathrooms and kitchens, replace hot water pipes, upgrade to energy-efficient refrigerators in all eligible units, and install smoke detectors and carbon monoxide detectors throughout the complex. Prior to its energy-efficient conservation efforts Lindsay Park, through the efforts of its board of directors, management, and the New York City Department of Housing Preservation & Development, was the beneficiary of another multi-million dollar grant under the Federal Home Loans program. This grant was used to replace all 28 elevators, re-pave parking lots and sidewalks, and purchase roll-on/roll-off trash container/compactor units.

SOURCE Hess Corporation

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